

REMARKS

Applicant respectfully requests reconsideration of the instant application in view of the following remarks. No amendments to the claims are present in the instant response. Claims 1-12 are currently pending in this application.

Rejection Under 35 USC § 112

Claims 1-12 have been rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the written description requirement. Applicant submits that support for the amended claims does in fact exist throughout the specification. By way of example only, some of the passages in the specification that describe the relevant subject matter include: in the summary, p. 2, paragraph 2 ("A Risk Auction website of this invention can contain auction rules and procedures.") and, in the detailed description, p. 4, paragraph 1 ("The Seller Risk Auction Website of this invention can contain auction rules and procedures.") and p. 6, paragraph 2 ("Prior to such time, the required details of the guaranteed or insured transaction ... previously agreed to by Seller and such bidder."). Accordingly, Applicant submits that no new matter was added by way of the Amendment dated September 5, 2006 and requests withdrawal of this ground of rejection.

Rejection Under 35 USC § 103(a)

Claims 1-12 have been rejected under 35 U.S.C. §103(a) as being unpatentable over the Examiner's assertion of Wallman (US 6,360,210), in view of King (US 5,704,045) and general remarks regarding merchandise auction systems (e.g., ebay.com). Applicant respectfully

submits that claims 1-12 are patentably distinct from the cited references, taken alone or in combination.

With regard to independent claims 1, 10-12 and the claims directly or indirectly depending therefrom, the Examiner asserts that:

Wallman does not explicitly disclose allocating the risk to a bidder submitting an acceptable bid for compliant transaction and auction host computer and ensuring compliance of a risk transaction with a set of applicable risk auction rules and procedures," and proceeds to assert that, "King discloses ... ensuring compliance of a risk transaction with a set of applicable risk auction rules and procedures [col. 6 lines 15-24; col. 10 lines 1-18; claims 1-2, 23, 42]. (See, Office Action, Page 3, ¶ 3).

Applicant respectfully submits that King does not remedy the deficiency identified in Wallman.

Applicant submits that King's system in no way discloses, teaches, or suggests, "ensuring compliance of a risk transaction with a set of applicable risk auction rules and procedures," as recited in independent claim 1. The cited passages from King's disclosure instead discuss interaction between "specialists" and underwriters [col. 6 lines 15-24]; underwriter analysis and reporting of risk characteristics "to determine the amount of capital matching support required to accept the proposed risk and the minimum premium level which would justify its acceptance" [col. 10 lines 1-18]; the facilitation of communication between risk exchanging parties, allocation of reserve funds, and effecting external regulation and fiduciary oversight for risk transactions [King's claims 1-2]; ensuring the existence of sufficient reserve funds to assure "compliance with the entity's risk to capital matching system" [claim 23]; and "a means of providing supporting risks" [King's claim 42]. At no time does King's disclosure discuss anything approaching "auction rules and procedures", as there is never a discussion of risk auctioning in the first place. Furthermore, any compliance issues discussed in the reference relate only to general risk transaction issues and/or external regulation and oversight.

Accordingly, the cited references taken alone or in combination thus fail to teach all of the claim limitations, thereby failing the third requirement for the establishment of a *prima facie* case of obviousness as outlined in MPEP § 2143.

The Examiner has further asserted that a: "bidder submitting an acceptable bid, [in] compliance to rules of auction and auction host server/computer are [well] known for example, ebay.com is [well] known auction host server with auction rules," and that:

It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of Wallman and include ... compliance to rules of auction and auction host computer ... to provide an auction or bidding system which allows the bidder to participate in any type (English, reverse, etc.) of auction of her/her interest. (See, Office Action, Page 3, ¶ 4- Page 4, ¶ 1).

Applicant submits that the Examiner has applied impermissible hindsight in asserting the combination of general merchandise auction systems with the financial portfolio management system of Wallman. Applicant asserts that there is nothing in either Wallman or merchandise auction systems such as ebay.com to teach, disclose or suggest any motivation for the combination. The Examiner's asserted motivation, "... to provide an auction or bidding system which allows the bidder to participate in any type (English, reverse, etc.) of auction of his/her interest," is, by the Examiner's own admission, practicable entirely within the context of existing merchandise auction systems such as ebay.com, and thus cannot serve as a motivation for reaching beyond that technology and make the asserted combination. Consequently, Applicant submits there is no suggestion or motivation to combine, thereby failing the first requirement for the establishment of a *prima facie* case of obviousness as outlined in MPEP § 2143. If the Examiner maintains his position, Applicant respectfully requests that he point to

specific records in the cited art that suggest the desirability of this specific combination, as required per MPEP § 2143 [See, e.g., MPEP § 2143.01(III, IV)].

Finally, the Examiner has asserted that:

King discloses ... ensuring compliance of a risk transaction with a set of applicable risk auction rules and procedures ... for providing a system for transferring risks which are unique or difficult to place in existing markets. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the modified disclosure of Wallman and include ... King, to provide a system for transferring risks which are unique or difficult to place in existing markets. (See Office Action, Page 4, ¶ 1).

Again, Applicant notes that the Examiner's cited motivation to combine is, by the Examiner's own admission, practicable entirely within the context of King's system, and thus cannot serve as a motivation for reaching beyond that system to combine it with another reference. Consequently, there is no suggestion or motivation to combine the references, thereby failing the first requirement for the establishment of a *prima facie* case of obviousness as outlined in MPEP § 2143. If the Examiner wishes to maintain his position, Applicant respectfully requests that he point to specific portions in the cited art that teach or suggest the desirability of this specific combination, as required per MPEP § 2143 [See, e.g., MPEP § 2143.01(III, IV)].

In summary, for at least the foregoing reasons, Applicant submits that independent claims 1 and 10-12, as well as the claims directly or indirectly dependent thereon are patentably distinct from the cited references taken alone or in combination. Accordingly, Applicant requests withdrawal of these grounds of rejection.

CONCLUSION

Consequently, the reference(s) cited by the office action do not result in the claimed invention, there was/is no motivation for such a combination of references (i.e., cited

references do not teach, read on, suggest, or result in the claimed invention(s)), and the claimed inventions are not admitted to be prior art. Thus, the Applicant respectfully submits that the supporting remarks and claimed inventions, claims 1-12, all: overcome all rejections and/or objections as noted in the office action, are patentable over and discriminated from the cited reference(s), and are in a condition for allowance. Furthermore, Applicant believes that the above remarks, which distinguish the claims over the cited reference(s), pertained only to noted claim element portions. These remarks are believed to be sufficient to overcome the prior art. While many other claim elements were not discussed, Applicant asserts that all such remaining and not discussed claim elements, all, also are distinguished over the prior art and reserves the opportunity to more particularly remark and distinguish such remaining claim elements at a later time should it become necessary. Further, any remarks that were made in response to an Examiner objection and/or rejection as to any one claim element, and which may have been re-asserted as applying to another Examiner objection and/or rejection as to any other claim element(s), any such re-assertion of remarks is not meant to imply that there is commonality about the structure, functionality, means, operation, and/or scope of any of the claim elements, and no such commonality is admitted as a consequence of any such re-assertion of remarks. As such, Applicant does not concede that any claim elements have been anticipated and/or rendered obvious by any of the cited reference(s). Accordingly, Applicant respectfully requests allowance, and the reconsideration and withdrawal of the rejection(s) and/or objection(s).

If a telephone conference would facilitate prosecution of this application in any way, the Examiner is invited to contact the undersigned at the number provided.

AUTHORIZATION

The Commissioner is hereby authorized to charge any additional fees which may be required for consideration of this Amendment to Deposit Account No. 03-1240, Order No. 17209-012.

In the event that an extension of time is required, or which may be required in addition to that requested in a petition for an extension of time, the Commissioner is requested to grant a petition for that extension of time which is required to make this response timely and is hereby authorized to charge any fee for such an extension of time or credit any overpayment for an extension of time to Deposit Account No. 03-1240, Order No. 17209-012

Respectfully submitted,
CHADBOURNE & PARKE, L.L.P.

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By: /Walter G. Hanchuk/
Walter G. Hanchuk Reg. No. 35,179

Chadbourne & Parke LLP
30 Rockefeller Plaza
New York, NY 10112
212-408-5100 Telephone
212-541-5369 Facsimile